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13 Proposed Attorneys for The Roman Catholic
14 Archbishop of San Francisco

15 UNITED STATES BANKRUPTCY COURT

16 NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

17 In re

18 THE ROMAN CATHOLIC ARCHBISHOP
OF SAN FRANCISCO,

19 Debtor and
20 Debtor in Possession.

Case No. 23-30564

Chapter 11

**OMNIBUS NOTICE OF HEARING ON
DEBTOR'S EMERGENCY FIRST DAY
MOTIONS**

21 Date: August 24, 2023

22 Time: 1:30 p.m.

Place: Via ZoomGov

23 Judge: Hon. Dennis Montali
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1 **NOTICE IS HEREBY GIVEN** that Roman Catholic Archbishop of San Francisco (the
2 “RCASF” or “Debtor”), the debtor and debtor in possession in the above captioned case, has filed
3 seven motions seeking immediate relief relating to critical operational issues as follows:

- 4 1. *Debtor’s Emergency Motion for Order (1) Authorizing Payment of Prepetition*
5 *Wages, Salaries and Employee Expenses, (2) Authorizing Payment of Accrued*
6 *Employee Benefits and Taxes, and (3) Directing Banks to Honor Payroll and*
 Expense Checks (the “Employee Obligations Motion”);
- 7 2. *Debtor’s Emergency Motion for Interim and Final Orders (1) Prohibiting*
8 *Utility Companies from Altering, Refusing or Discontinuing Service, (2)*
9 *Determining Adequate Assurance of Payment for Postpetition Utility Services*
 Under 11 U.S.C. § 366, (3) Establishing Procedures for Determining Adequate
 Assurance of Payment, and (4) Scheduling a Final Hearing (the “Utilities
 Motion”);
- 10 3. *Debtor’s Emergency Motion for Interim and Final Orders (1) Authorizing*
11 *Continued Use of Existing Cash Management System, Operational Bank*
12 *Accounts, Related Investment Accounts; (2) Authorizing Maintenance of*
13 *Existing Business Forms; (3) Excusing Compliance with Section 345(b); (4)*
 Authorizing Continued Use of Current Investment Policy; and (5) Scheduling a
 Final Hearing (the “Cash Management Motion”);
- 14 4. *Debtor’s Emergency Motion to (1) Establish Notice Procedures, (2) File*
15 *Confidential Information Under Seal, and (3) Temporarily Suspend Deadline*
 for Filing Proofs of Claim (the “Motion to Establish Notice Procedures and
 Suspend Bar Date”);
- 16 5. *Debtor’s Emergency Application for Entry of an Order (I) Authorizing and*
17 *Approving the Appointment of Omni Agent Solutions, Inc. as Claims and*
18 *Noticing Agent, and (II) Granting Related Relief (the “Claims and Noticing*
 Agent Motion”);
- 19 6. *Debtor’s Emergency Motion to Continue Insurance Programs (the “Insurance*
 Motion”); and
- 20 7. *Debtor’s Emergency Motion for Interim and Final Orders Authorizing Debtor*
21 *to (1) Pay Certain Prepetition Invoices for Abuse Survivors’ Assistance and Safe*
22 *Environment Programs, and (2) Continue Its Prepetition Practice of Paying for*
 Abuse Survivors’ Assistance and Safe Environment Programs (the “Survivors’
 Assistance Programs Motion”).

23 These seven critical motions (hereafter referred to collectively as the “First Day Motions”)
24 seek entry of orders granting the relief described below, and such other relief as is just and
25 appropriate given the circumstances of the First Day Motions and this case.

26 **NOTICE IS FURTHER GIVEN** that hearings on the First Day Motions will be held
27 August 24, 2023, at 1:30 p.m. at the United States Bankruptcy Court, Northern District of California,
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1 San Francisco Division, before the Honorable Dennis Montali (the “First Day Hearings”). The First
2 Day Hearings will not be conducted in the presiding judge’s courtroom but instead will be conducted
3 by videoconference via ZoomGov. The Bankruptcy Court’s website provides information regarding
4 how to arrange an appearance at a video or telephonic hearing. If you have questions about how to
5 participate in a video or telephonic hearing, you may contact the court by calling 888-821-7606 or
6 by using the Live Chat feature on the Bankruptcy Court’s website. The link to the judge’s electronic
7 calendar is: <https://www.canb.uscourts.gov/judge/montali/calendar>.

8 The First Day Motions are supported by the Declaration of Joseph J. Passarello in support
9 of Chapter 11 Petition and First Day Motions (“Passarello Background Decl.”), the Declaration of
10 Paul Gaspari in support of Chapter 11 Petition and First Day Motions (“Gaspari Decl.”), and the
11 additional declarations identified below in support of each motion. The titles of each of the First
12 Day Motions followed by a summary description of the relief requested in each First Day Motion,
13 are as follows:

14 **A. Debtor’s Emergency Motion for Order (1) Authorizing Payment of Prepetition**
15 **Wages, Salaries and Employee Expenses, (2) Authorizing Payment of Accrued**
16 **Employee Benefits and Taxes, and (3) Directing Banks to Honor Payroll and Expense**
17 **Checks**

18 1. The Debtor seeks Court authority, among other things, to pay prepetition wages,
19 salaries and employee expenses, to pay accrued employee benefits and taxes, and directing banks
20 to honor payroll and expense checks (the “Employee Obligations Motion”). In furtherance of the
21 Employee Obligations Motion, the Debtor has filed the supporting declaration of Joseph J.
22 Passarello.

23 2. Specifically, by the Employee Obligations Motion, the Debtor requests entry of an
24 order that (i) authorizes but does not direct the Debtor to pay Employee Obligations, Employee
25 Deductions and Employee Expenses (each as defined in the Employee Obligations Motion), (ii)
26 authorizes but does not direct the Debtor to continue its practices, programs and policies in effect
27 as of the Petition Date with respect to all Employee Obligations (including allowing employees to
28 use paid time off accrued, but unused, as of the Petition Date), Employee Deductions and Employee

1 Expenses and (iii) authorizes and directs the bank at which the Debtor maintains an account from
2 which the Debtor's payroll obligations are disbursed and all other banks or lending institutions
3 maintaining payroll and employee benefits accounts to honor and pay all pre-petition and post-
4 petition checks issued or to be issued and fund transfers requested or to be requested, by the Debtor
5 in respect of the Employee Obligations, Employee Deductions and Employee Expenses. The
6 Debtor also seeks authority to issue new post-petition checks or fund transfer requests with respect
7 to pre-petition obligations that may have been dishonored by the banks relating to the Employee
8 Obligations, Employee Deductions and Employee Expenses, if necessary.

9 3. The Employee Obligations Motion seeks authorization to pay only such amounts
10 that are entitled to priority claim status up to \$15,150 under the provisions of sections 507(a)(4)
11 and (a)(5).¹ The RCASF believes that approval of this motion is critical to the Debtor's operations
12 of the Debtor, and that the amounts at issue are fairly de minimis in the context of the Bankruptcy
13 Case.

14 **B. Debtor's Emergency Motion for Interim and Final Orders (1) Prohibiting Utility**
15 **Companies from Altering, Refusing or Discontinuing Service, (2) Determining**
16 **Adequate Assurance of Payment for Postpetition Utility Services Under 11 U.S.C. §**
366, (3) Establishing Procedures for Determining Adequate Assurance of Payment,
and (4) Scheduling a Final Hearing

17 1. The Debtor seeks entry of an order (1) prohibiting utility companies from altering,
18 refusing or discontinuing service; (2) determining that the Debtor's furnishing of deposits to utility
19 companies listed on Exhibit 2 to the motion in an amount that represents fifty percent of the
20 Debtor's estimated average monthly usage over the past twelve months of such utility respectively
21 constitutes adequate assurance of payment; (3) establishing procedures for assurance requests by
22 the affected utilities and for determining adequate assurance of payment; and (4) scheduling a final
23 hearing thereon (the "Utility Motion"). In furtherance of the Utility Motion, the Debtor has filed
24 the supporting declaration of Joseph J. Passarello.

25 2. The Debtor's ongoing operations require it to maintain uninterrupted utility services
26 including electricity, natural gas, telephone, water, waste removal, internet and other services.

27 _____
28 ¹ All section references hereafter are to title 11 of the United States Code (the "Bankruptcy Code")
unless noted otherwise.

1 Termination of a utility service would cause immediate and irreparable harm to the Debtor's
2 operations and critical reorganization efforts. The Debtor has multiple facilities and receives utility
3 services from numerous utility companies, as described in the Utility Motion, and listed on Exhibit
4 2 to the Utility Motion.

5 **C. Debtor's Emergency Motion for Interim and Final Orders (1) Authorizing Continued**
6 **Use of Existing Cash Management System, Operational Bank Accounts, Related**
7 **Investment Accounts; (2) Authorizing Maintenance of Existing Business Forms; (3)**
8 **Excusing Compliance with Section 345(b); (4) Authorizing Continued Use of Current**
9 **Investment Policy; and (5) Scheduling a Final Hearing.**

10 1. The Debtor seeks entry of an order, among other things, (a) waiving the Bankruptcy
11 Local Rules and United States Trustee Guidelines to the extent necessary in order for the Debtor
12 to continue its use of its existing cash management system, (b) authorizing the Debtor to continue
13 using its prepetition bank accounts and business forms, including a waiver of the requirement that
14 the legend "debtor in possession" be imprinted on any existing checks and business forms, and (c)
15 authorizing the Debtor to continue the use of its existing cash management system and accounting
16 policies and practices (the "Cash Management Motion"). By the Cash Management Motion, the
17 Debtor also seeks to continue using its commercial credit cards and investment policies during this
18 Bankruptcy Case, without posting any bonds as otherwise required under section 345(b) of the
19 Bankruptcy Code. The Debtor seeks the relief requested under the Cash Management Motion to ensure its orderly
20 transition into bankruptcy and to help administer its operations efficiently while avoiding the
21 disruptions, distractions, delays, and significant expense that otherwise would inevitably divert the
22 Debtor's attention from urgent matters during the initial stages of its bankruptcy case. In
23 furtherance of the Cash Management Motion, the Debtor has filed the supporting declaration of
24 Joseph J. Passarello.

25 2. As described in the Cash Management Motion, all of the relevant banks where the
26 RCASF's bank accounts are located are FDIC-insured banking institutions that have complied with
27 the United States Trustee's (the "U.S. Trustee") special depository procedures under section 345
28 and are on the U.S. Trustee's list of authorized depositories for the Northern District of California,
with exceptions including accounts at First Republic Bank ("FRB"), Bank of San Francisco ("Bank

1 of SF”). As set forth in greater detail in the Cash Management Motion, while FRB is not a FDIC-
2 insured banking institution, it has been acquired by JPMorgan Chase Bank (“JPMC”), which is a
3 FDIC-Insured institution on the U.S. Trustee’s Authorized Depository list as of July 10, 2023.
4 Similarly, Bank of SF, while not on the U.S. Trustee’s Authorized Depository list, is FDIC-insured.
5 Additionally, the RCASF keeps its account balance at approximately the \$250,000 limit of FDIC
6 insurance, so there is little risk of losing money from this account. Finally, while California Bank
7 & Trust (“CB&T”) is neither on the U.S. Trustee’s authorized depository list nor FDIC-insured, it
8 is a division of Zions Bancorporation, N.A., which is FDIC-insured.

9 3. The Debtors also have certain investment and money market accounts that the
10 Debtors request Court authority to continue to maintain without the need to comply strictly with
11 section 345, including the maintenance of the Pooled Investment Accounts and its BofA
12 Investment Account (each as defined in the Cash Management Motion) that is used to invest in the
13 BlackRock Liquidity Funds Portfolio Institutional Class, a money market mutual fund that
14 currently yields approximately 5.2% of interest per year.

15 **D. Debtor’s Emergency Motion to (1) Establish Notice Procedures, (2) File Confidential**
16 **Information Under Seal, and (3) Temporarily Suspend Deadline for Filing Proofs of**
Claim

17 1. The Debtor has also filed a motion for entry of an order (i) establishing notice
18 procedures, (ii) authorizing the Debtor to file confidential information under seal, and (iii)
19 temporarily suspending the deadline for non-government creditors to file proofs of claim (“Motion
20 to Establish Notice Procedures and Suspend Bar Date”). In furtherance of the Motion to Establish
21 Notice Procedures and Suspend Bar Date, the Debtor has filed the supporting declaration of Joseph
22 J. Passarello.

23 2. Given the estimated 1,600 parties in interest, including abuse survivors, the Debtor
24 seeks permission to limit notice and also to file certain confidential information under seal given
25 the particularly sensitive nature of claims, survivor identities, and other matters in this Bankruptcy
26 Case. The Debtor requests permission to file the schedules, any other pleadings and proofs of
27 service to the extent they contain non-public names of abuse claimants and potential abuse
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1 claimants under seal in order to protect such individuals' privacy rights. The Debtor also seeks to
2 suspend temporarily deadline to file claims to provide the Debtor with sufficient time to employ a
3 claims agent and formulate a Court-approved, specialized claims submission process.

4 **E. Debtor's Emergency Motion to Approve Retention of Omni Agent Solutions Inc. as**
5 **Claims and Noticing Agent**

6 1. The Debtor filed an emergency motion (the "Noticing Agent Motion") for the entry
7 of an order, pursuant to 28 U.S.C. § 156(c), Bankruptcy Code section 105(a), and Bankruptcy
8 Local Rules 9013-1(a) and 5075-1(b): (a) appointing Omni Agent Solutions, Inc. ("Omni") as
9 claims and noticing agent (the "Claims and Noticing Agent") for the Debtor in this Bankruptcy
10 Case effective as of the Petition Date (as defined herein) including assuming full responsibility for
11 the distribution of notices and the maintenance, processing, and docketing of proofs of claim filed
12 in the Debtor's Bankruptcy Case, and (b) granting related relief. In support of the Noticing Agent
13 Motion, the Debtor filed the supporting declaration of Paul H. Deutch, Omni's Executive Vice
14 President.

15 2. By appointing Omni as the Claims and Noticing Agent in this case, the distribution
16 of notices and the processing of confidential claims will be expedited, and the Office of the Clerk
17 of the Bankruptcy Court will be relieved of the administrative burden of administering and
18 processing claims. The Debtor will seek authorization to retain and employ Omni as administrative
19 advisor in the Bankruptcy Case for the performance of duties outside the scope of 28 U.S.C. §
20 156(c) under Bankruptcy Code section 327(a), by separate application.

21 **F. Debtor's Emergency Motion to Continue Insurance Programs**

22 1. By this motion ("Insurance Motion"), the Debtor requests entry of an order,
23 pursuant to sections 363, 1112(b), and 105, authorizing the Debtor to (i) continue administering
24 the Insurance Programs (defined in the Insurance Motion) for the Debtor and Participating Entities,
25 in the ordinary course of business and consistent with past practices; (ii) continue funding all
26 premiums, contributions, deductibles, reserves, and service fees related to Insurance Coverage
27 (defined in the Insurance Motion) and receiving reimbursement for same; (iii) renew, amend,
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1 supplement, extend, purchase, or terminate Insurance Coverage in the ordinary course of business;
2 and (iv) pay any and all amounts related to the Insurance Programs that remained unpaid on the
3 Petition Date (defined in the Insurance Motion). In furtherance of the Insurance Motion, the Debtor
4 filed the supporting declaration of Joseph J. Passarello.

5 2. As described in the Insurance Motion, the Insurance Programs provide an efficient,
6 cost-effective way to procure necessary insurance for the Debtor and the Participating Entities.
7 Satisfying possible outstanding or future obligations related to the Insurance Programs is warranted
8 under section 363(b) and applicable standards as described in the Insurance Motion. The Debtor
9 has routinely maintained Insurance Coverage and administered the Insurance Programs in the
10 ordinary course of its operations and must continue to do so on a going forward basis in order to
11 operate. Further, the Insurance Programs administered by the Debtor are typical for a Roman
12 Catholic Archdiocese of its size and include standard coverages for nonprofits such as the Debtor
13 and the Participating Entities. Continuation of Insurance Coverage is essential to preserve
14 uninterrupted operations and the value of the Debtor's estate and is in the best interests of the estate
15 and its creditors. Failing to maintain Insurance Coverage would impair the Debtor's ability to
16 operate and potentially violate U.S. Trustee Guidelines and other applicable regulations and
17 requirements, resulting in a material adverse effect on the Debtor and the value of the estate.

18 **G. Debtor's Emergency Motion for Interim and Final Orders Authorizing Debtor to (1)**
19 **Pay Certain Prepetition Invoices for Abuse Survivors' Assistance and Safe**
20 **Environment Programs, and (2) Continue Its Prepetition Practice of Paying for**
21 **Abuse Survivors' Assistance and Safe Environment Programs**

22 1. By this motion ("Survivors' Assistance Programs Motion"), the Debtor requests
23 entry of interim and final orders, authorizing the Debtor (i) to pay certain prepetition invoices
24 for Abuse Survivors' Assistance and Safe Environment Programs, and (ii) to continue to pay
25 certain invoices for such programs in the ordinary course of its business under sections 105 and
26 363(b)" and Rules 9013 and 9014 of the Federal Rules of Bankruptcy Procedure.

27 2. The Debtor has an established process for survivors of clergy abuse to have access
28 to trained professionals who can help them address their trauma. To support these survivors,

1 among other things, the Debtor pays for the survivors' counseling with licensed therapists. In
2 addition, the Debtor has implemented strict education and training protocols known as safe
3 environment programs to prevent the future occurrence of sexual abuse by clergy or others
4 affiliated with the Debtor.

5 3. These programs serve those affected by historical clergy sexual abuse and are
6 designed to prevent future abuse. It is necessary and appropriate to authorize the Debtor to pay
7 any outstanding prepetition balances due and owing for these programs, which the Debtor believes
8 is approximately \$4,000, in the aggregate, and to continue to fund these programs on a postpetition
9 basis in the ordinary course of business.

10 **NOTICE IS FURTHER GIVEN** that the Debtor also requests that the Court set final
11 hearings for approval of any interim relief granted in the First Day Motions. You will be provided
12 notice of the date of any further or final hearings on the First Day Motions at a later time.

13 **NOTICE IS FURTHER GIVEN** that this notice does not contain all the particulars of the
14 First Day Motions or supporting documents for the First Day Motions, nor does it summarize all of
15 the evidence submitted in support of the First Day Motions. For further specifics concerning the
16 First Day Motions and the relief requested, you are encouraged to review the First Day Motions and
17 the supporting evidence, including the supporting Declarations, copies of which may be obtained
18 from the website to be maintained by the Debtor's proposed Claims and Noticing Agent, Omni
19 Agent Solutions, Inc., at <https://omniagentsolutions.com/RCASF>, free of charge.

20 You may also access these documents from the Court's PACER system (requires a
21 subscription). The web page address for the United States Bankruptcy Court for the Northern
22 District of California is <http://www.canb.uscourts.gov>, which includes a link to the Court's Case
23 Management/Electronic Case Filing (CM/ECF) system.

24 **NOTICE IS FURTHER GIVEN** that any opposition to the granting of the relief sought at
25 the First Day Hearings may be made at the hearing. If you or your attorney do not attend, the Court
26 may decide that you do not oppose the relief sought in the First Day Motions and may enter orders
27 granting the relief requested.

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1 Your rights may be affected. You should read these papers carefully and discuss them with
2 your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may
3 wish to consult one.

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5 Dated: August 21, 2023

FELDERSTEIN FITZGERALD WILLOUGHBY
PASCUZZI & RIOS LLP

6
7
8 By /s/ Paul J. Pascuzzi
9 PAUL J. PASCUZZI
10 JASON E. RIOS
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Archbishop of San Francisco

12 Dated: August 21, 2023

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